CONDOMINIUM PUBLIC REPORT

	Prepared & Issued by: Developer <u>KEA567 LLC, a Hawaii limited liability company</u> Business Address <u>580 Dillingham Boulevard, Honolulu, Hawaii 96817</u>									
	Project Name(*): <u>KEAAHALA (PHASE II) (Report covers Units F & G)</u> Address: <u>45-567F and G Keaahala Road, Kaneohe, HI 96744</u>									
	Regist	ration No. 7250 (Conversion)	Effective date: September 18, 2012 Expiration date: October 18, 2013							
Prepara	ation of this Rep	o <u>rt:</u>								
Revised	d Statutes, as ai	repared by the Developer pursua mended. This report is not valid d effective date for the report.	int to the Condominium Property Act, Chapter 514A, Hawaii unless the Hawaii Real Estate Commission has issued a							
Commi	ssion nor any ot	n prepared or issued by the Rea her government agency has judo nt in the project.	I Estate Commission or any other government agency. Neither the ged or approved the merits or value, if any, of the project or of							
Buyers contrac	are encourage ct for the purch	ed to read this report carefully, ase of an apartment in the pro	and to seek professional advice before signing a sales ject.							
from the	e effective date	orts: Preliminary Public Reports unless a Supplementary Public I this report, extending the effective	and Final Public Reports automatically expire thirteen (13) months Report is issued or unless the Commission issues an order, a copy re date for the report.							
final pul	on: The Real Es blic report <u>for a i</u> Report:	tate Commission may issue an wo apartment condominium pro	order, a copy of which shall be attached to this report, that the ject shall have no expiration date.							
	PRELIMINARY (yellow)	Estate Commission mi	t as yet have created the condominium but has filed with the Real nimal information sufficient for a Preliminary Public Report. A Final sued by the developer when complete information is filed.							
X	FINAL: (white)	with the Commission. [X] No prior report [] This report sup	ally created a condominium and has filed complete information s have been issued. See page 2, item (c). persedes all prior public reports. st be read together with							
	SUPPLEMENT (pink)	[] Preliminary Pu	ormation contained in the: blic Report dated: eport dated: / Public Report dated:							
	And	[] Must be read t [] This report rea public report(s	prior public reports. ogether with ctivates the) which expired on							

(*) Exactly as named in the Declaration
This material can be made available for individuals with special needs. Please call the Senior Condominium
Specialist at 586-2643 to submit your request.

FORM: RECO-30 286/986/189/1190/892/0197/1098/0800/0203/0104/0 FORM: RECO-30 286/986/189/1190/892/0197/1098/0800/0203/0104/0107

Disclos	ure Abs	stract: Separate Disclosure Abstract on this condominium project:
[]	Require	ed and attached to this report [X] Not Required - Disclosures covered in this report.
Summa	ry of Cl	hanges from Earlier Public Reports:
report w earlier re	as issue	mmary contains a general description of the changes, if any, made by the developer since the last public ed. It is not necessarily all inclusive. Prospective buyers should compare this public report with the they wish to know the specific changes that have been made.
	[X]	No prior reports have been issued by the developer. See item (c) below.
	[]	Changes made are as follows:

SPECIAL ATTENTION

The Developer has disclosed the following:

- (a) This is a CONDOMINIUM PROJECT, not a subdivision. The land area beneath and immediately appurtenant to each unit is designated a LIMITED COMMON ELEMENT and does not represent a legally subdivided lot. The dotted lines on the Condominium Map bounding the designated number of square feet in each limited common element land area are for illustration purposes only and should not be construed to be formal subdivision lines.
- (b) Facilities and improvements normally associated with county approved subdivisions, such as fire protection devices, street lighting, electricity, upgraded water facilities, improved access for owner and emergency traffic, drainage facilities, etc., may not necessarily be provided for, and services such as County street maintenance and trash collection will not be available for interior roads and driveways.
- (c) The Project is the subject of a prior Public Report dated December 19, 2006 (Registration No. 6154). Pursuant to Developer's reserved right under paragraph 27 of the Declaration, Unit F in the Project (which is covered by the prior Public Report) has now been divided into two new Units which are Unit F and Unit G, thereby increasing the total number of Units in the Project from six to seven. See page 20, item 2 for additional information.
- (d) No warranties are given to the purchaser as to the construction, materials or workmanship of the Project. The Units in the Project are being sold in "as is" condition (see page 15).
- (e) A prospective purchaser of Unit G, which is not presently a residence but which such purchaser may intend to change to residential use, should be aware the purchaser must comply with building codes, land use laws (LUO) and other county laws and ordinances. The LUO, for example, contains restrictions relating to the permissible use of the land, the number of dwelling units permitted, and the density of total development permitted on a lot. A prospective purchaser should be aware (a) it will be necessary to obtain building and other permits from the City and County and (b) it may be necessary to obtain and to have installed utilities to service Unit G. Obtaining such permits will require compliance with building codes, LUO and other City and County requirements and compliance with any conditions which may be imposed under any such issued permits. Obtaining utilities and services will require agreements with the providers of such utilities. Developer disclaims all warranties relating to the availability of such utilities, any conditions that may be imposed by the providers, or the cost thereof. Before buying Unit G, a prospective purchaser, together with an architect or professional builder, is strongly urged to review the LUO and other applicable City and County ordinances which may affect the purchaser's use of Unit G and to review their intended plans with County officials. Developer disclaims all warranties with respect to purchaser's being able to use Unit G for his intended purposes.
- (f) This public report does not constitute approval of the Project by the Real Estate Commission or any other governmental agencies, nor does it ensure that all applicable County codes, ordinances, and subdivision requirements have necessarily been complied with.

THE PROSPECTIVE PURCHASERS ARE CAUTIONED TO CAREFULLY REVIEW ALL DOCUMENTS REGARDING THIS CONDOMINIUM PROJECT FOR FURTHER INFORMATION WITH REGARD TO THE FOREGOING.

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General Information On Condominiums

A condominium is a special form of real property. To create a condominium in Hawaii, the requirements of the Condominium Property Act, Chapter 514A, Hawaii Revised Statutes, must be complied with. In addition, certain requirements and approvals of the County in which the project is located must be satisfied and obtained.

Some condominium projects are leasehold. This means that the land or the building(s) and other improvements are leased to the buyer. The lease for the land usually requires that at the end of the lease term, the lessees (apartment owners/tenants) deliver their interest in the land to the lessor (fee property owner). The lease also usually requires that the lessees either (1) convey to the lessor the building(s) and other improvements, including any improvements paid for by the lessees; or (2) remove or dispose of the improvements at the lessee's expense. Leases for individual apartments often require that at the end of the lease term, the lessee deliver to the lessor the apartment, including any improvements placed in the apartment by the lessee.

If you are a typical condominium apartment owner, you will have two kinds of ownership: (1) ownership in your individual apartment; and (2) an undivided interest in the common elements.

"Common elements" are the areas of the condominium project other than the individual apartments. They are owned jointly by all apartment owners and include the land, either in fee simple or leasehold, and those parts of the building or buildings intended for common use such as foundations, columns, roofs, halls, elevators, and the like. Your undivided interest in the common elements cannot be separated from ownership of your apartment.

In some condominium projects, some common elements are reserved for the exclusive use of the owners of certain apartments. These common elements are called "limited common elements" and may include parking stalls, patios, lanais, trash chutes, and the like.

You will be entitled to exclusive ownership and possession of your apartment. Condominium apartments may be individually bought, sold, rented, mortgaged or encumbered, and may be disposed of by will, gift, or operation of law.

Your apartment will, however, be part of the group of apartments that comprise the condominium project. Study the project's Declaration, Bylaws, and House Rules. These documents contain important information on the use and occupancy of apartments and the common elements as well as the rules of conduct for owners, tenants, and guests.

Operation of the Condominium Project

The Association of Apartment Owners is the entity through which apartment owners may take action with regard to the administration, management, and operation of the condominium project. Each apartment owner is automatically a member of the Association.

The Board of Directors is the governing body of the Association. Unless you serve as a board member or an officer, or are on a committee appointed by the board, your participation in the administration and operation of the condominium project will in most cases be limited to your right to vote as an apartment owner. The Board of Directors and officers can take certain actions without the vote of the owners. For example, the board may hire and fire employees, increase or decrease maintenance fees, borrow money for repair and improvements and set a budget. Some of these actions may significantly impact the apartment owners.

Until there is a sufficient number of purchasers of apartments to elect a majority of the Board of Directors, it is likely that the developer will effectively control the affairs of the Association. It is frequently necessary for the developer to do so during the early stages of development and the developer may reserve certain special rights to do so in the Declaration and Bylaws. Prospective buyers should understand that it is important to all apartment owners that the transition of control from the developer to the apartment owners be accomplished in an orderly manner and in a spirit of cooperation.

I. PERSONS CONNECTED WITH THE PROJECT

Developer:	KEA567 LLC	Phone:	_(808) 630-1064
	Name* <u>580 Dillingham Boulevard</u> Business Address <u>Honolulu, Hawaii 96</u> 817		(Business)
	Names of officers and directors of developers who are corp partnership; partners of a Limited Liability Partnership (LLP) Limited Liability Company (LLC) (attach separate sheet if ne Rory D. Otto, sole member and manager of KEA567 LLC	: or manager a	ral partners of a and members of a
Real Estate Broker*:	Prudential Locations LLC Name	Phone:	(808) 735-4200
	3465 Waialae Avenue, 4 th Floor Business Address Honolulu, Hawaii 96816		(Business)
Escrow:	Guardian Escrow Services, Inc. Name 2347 S. Beretania Street, Suite 200 Business Address Honolulu, Hawaii 96826	Phone:	(808) 951-6991 (Business)
General Contractor*:	N/A Name Business Address	Phone:	(Business)
Condominium Managing Agent*:	Self-managed by the Association of Apartment Owners Name Business Address	Phone:	(Business)
Attorney for Developer:	Anders G. O. Nervell, Esq. Name Clay Chapman Iwamura Pulice & Nervell 700 Bishop Street, Suite 2100 Business Address Honolulu, Hawaii 96813	Phone:	(808) 535-8400 (Business)
* For Entities:	Name of corporation, partnership, Limited Liability Partnersh (LLC)	ip (LLP), or Lir	mited Liability Company

II. CREATION OF THE CONDOMINIUM; CONDOMINIUM DOCUMENTS

A condominium is created by recording in the Bureau of Conveyances and/or filing with the Land Court a Declaration of Condominium Property Regime, a Condominium Map (File Plan), and the Bylaws of the Association of Apartment Owners. The Condominium Property Act (Chapter 514A, HRS), the Declaration, Bylaws, and House Rules control the rights and obligations of the apartment owners with respect to the project and the common elements, to each other, and to their respective apartments. The provisions of these documents are intended to be, and in most cases are, enforceable in a court of law.

commo project.	n eleme	ents, limited com	minium Property Regime conta mon elements, common interests	ins a description of s, and other inforn	of the land, buildings, apartments, nation relating to the condominium
	[]	Proposed	condominium is:		
	[X]	Recorded -	Bureau of Conveyances:	Document No	93-133601
	[]	Filed -	Land Court:	Book Document No	Page
Amende of Conv	ording/fi october 1 ed and F eyances y Regim	ling information] 19, 2006, record Restated Declara as Document N	: Amendment of Declaration of (ed in the Bureau of Conveyances ition of Condominium Property R lo. 2006-195940; and Amendme	Condominium Prop of the State of Ha egime dated Octo of Amended an	truments [state name of document, date perty Regime and Condominium Map awaii as Document No. 2006-195939; ber 19, 2006, recorded in said Bureau d Restated Declaration of Condominium ureau of Conveyances as Document No
B. shows t	<u>Condor</u> he floor	minium Map (Fi plan, location, a	le Plan) shows the floor plan, ele partment number, and dimension	evation and layout as of each apartme	of the condominium project. It also ent.
	The Cor	ndominium Map Proposed	for this condominium project is:		
	[X]	Recorded - Filed -	Bureau of Conveyances Condo Land Court Condo Map No.	Map No. <u>1910</u>	
recordin October Amendr	The Corng/filing in 19, 200 nent of A	information]. All 16, recorded in th Amended and Ri	has been amended by the follow endment of Declaration of Cond be Bureau of Conveyances of the	ring instruments [s ominium Property State of Hawaii a ium Property Red	state name of document, date and Regime and Condominium Map dated is Document No. 2006-195939, and time and Condominium Map dated June
provide duties of	f the Boa	ard, the manner	IDE BOARD Of Directors of the Ass	ociation of Apartn ted, whether nets	of the condominium project. They nent Owners is elected, the powers and are prohibited or allowed and other
	The Byla	aws for this cond	lominium are:		
		Proposed Recorded -	Bureau of Conveyances:	Document No	
	[]	Filed -	Land Court:	Book Document No.	Page

The Bylaws referred to above have been amended by the following instruments [state name of document, date and recording/filing information]: Amended and Restated By-Laws of the Association of Apartment Owners dated October 19, 2006, recorded in the Bureau of Conveyances of the State of Hawaii as Document No. 2006-195941.

followe	nis and nmon fa ed by ow	ilmitea c icilities s iners, te	common e such as re	erements ecreation d guests	s. House Ru Fareas, use	iles ma of lana	ay cov ais and	er matters suc d requirements	h as parkir for keepin	ng regulation	ion of the common s, hours of operation se rules must be le initial House Rules
	The H	ouse Ru	les for th	is condo	minium are:						
	[]	Propo	sed	[X]	Adopted	[]	Developer do	es not pla	n to adopt H	ouse Rules
E. effective filed to	Chang e only if be effec	tney ar	ondomir e duly ad	nium Do opted ar	ocuments Conditioned	hange and/or	es to ti filed.	ne Declaration, Changes to H	Condomir ouse Rule	nium Map, ai s do not nee	nd Bylaws are d to be recorded or
	1. to chai	<u>Apartn</u> nges:	nent Owr	<u>ıers</u> : Mir	nimum perce	ntage	of cor	nmon interest	which mus	t vote for or	give written consent
							mum by La	<u>N</u>		This Condo	<u>minium</u>
		Declar	ation (an	d Condo	Map)	7	5%*			75%	
		Bylaws	6			67%**				67%**	
		House	Rules							Board of D	<u> Director</u> s
	* The with fiv	percenta e or few	ages for i ver apartn	ndividua nents.	l condominiu	ım pro	jects	may be more th	han the mi	nimum set b	y law for projects
	** Minir	num se	t by law.								
2.	Develo	per:									
	[] No rights have been reserved by the developer to change the Declaration, Condominium Map, Bylaws or House Rules.										
	[X]	Develo House	per has r Rules:	eserved	the followin	g right	s to cl	nange the Decl	aration, Co	ondominium	Map, Bylaws or
		1.	To ame	nd the D	eclaration b	y filing	an "a	s built" certifica	ate (see pa	ragraph 20.	1 of the Declaration).
		2.	To ame etc. (see	nd the E e paragr	eclaration to	comp the De	oly wit oclarat	h the requiremo	ents impos	sed by law, ti	tle insurers, lenders,
		3.	To ame agency	nd the E (see Se	y-Laws to co ction 10.2(a)	omply of the	with the	ne requirement aws).	s of any fe	deral or Stat	e governmental
		4.	In the ev Condom	vent that ninium M	t additional u lap to reflect	ınits ar t such	e esta additi	ablished on Lot onal units (see	99, to ame paragraph	end the Decl 27 of the De	aration and eclaration).

III. THE CONDOMINIUM PROJECT

A.

<u>Intere</u>	st to be Conveyed to Buyer:
[X]	<u>Fee Simple:</u> Individual apartments and the common elements, which include the underlying land, will be in fee simple.
[]	<u>Leasehold or Sub-leasehold:</u> Individual apartments and the common elements, which include the underlying land will be leasehold.
	Leases for the individual apartments and the underlying land usually require that at the end of the lease term, the lessee (apartment owner/tenant) deliver to the lessor (fee property owner) possession of the leased premises and all improvements, including improvements paid for by the lessee.
	Exhibit contains further explanations regarding the manner in which the renegotiated lease rents will be calculated and a description of the surrender clause provision(s).
	Lease Term Expires: Rent Renegotiation Date(s):
	Lease Rent Payable: [] Monthly [] Quarterly [] Annually
	Exhibit contains a schedule of the lease rent for each apartment per: [] Month [] Year
	For Sub-leaseholds:
	Buyer's sublease may be canceled if the master lease between the sublessor and fee owner is: [] Canceled [] Foreclosed
	[] As long as the buyer is not in default, the buyer may continue to occupy the apartment and/or land on the same terms contained in the sublease even if the master lease is canceled or foreclosed.
[]	<u>Individual Apartments in Fee Simple; Common Interest in the Underlying Land in Leasehold or Subleasehold:</u>
	Leases for the underlying land usually require that at the end of the lease term, the lessees (apartment owners/tenants) deliver to the lessor (fee property owner) their interest in the land and that they either (1) remove or dispose of the building(s) and other improvements at the lessee's expense; or (2) convey the building(s) and improvements to the lessor, often at a specified price.
	Exhibit contains further explanations regarding the manner in which the renegotiated lease rents will be calculated and a description of the surrender clause provision(s).
	Lease Term Expires: Rent Renegotiation Date(s):
	Lease Rent Payable: [] Monthly [] Quarterly [] Annually
	Exhibit contains a schedule of the lease rent for each apartment per: [] Month [] Year

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	- 4	Other:	
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IMPORTANT INFORMATION ON LEASEHOLD CONDOMINIUM PROJECTS

The information contained in this report is a summary of the terms of the lease. For more detailed information, you should secure a copy of the lease documents and read them thoroughly.

If you have any legal questions about leasehold property, the lease documents or the terms of the lease and the consequences of becoming a lessee, you should seek the advice of an attorney.

There are currently no statutory provisions for the mandatory conversion of leasehold condominiums and there are no assurances that such measures will be enacted in the future.

In leasehold condominium projects, the buyer of an apartment will acquire the right to occupy and use the apartment for the time stated in the lease agreement. The buyer will not acquire outright or absolute fee simple ownership of the land. The land is owned by the lessor or the leased fee owner. The apartment owner or lessee must make lease rent payments and comply with the terms of the lease or be subject to the lessor's enforcement actions. The lease rent payments are usually fixed at specific amounts for fixed periods of time, and are then subject to renegotiation. Renegotiation may be based on a formula, by arbitration set in the lease agreement, by law or by agreement between the lessor and lessee. The renegotiated lease rents may increase significantly. At the end of the lease, the apartment owners may have to surrender the apartments, the improvements and the land back to the lessor without any compensation (surrender clause).

When leasehold property is sold, title is normally conveyed by means of an assignment of lease, the purpose of which is similar to that of a deed. The legal and practical effect is different because the assignment conveys only the rights and obligations created by the lease, not the property itself.

The developer of this condominium project may have entered into a master ground lease with the fee simple owner of the land in order to develop the project. The developer may have then entered into a sublease or a new lease of the land with the lessee (apartment owner). The developer may lease the improvements to the apartment owner by way of an apartment lease or sublease, or sell the improvements to the apartment owners by way of a condominium conveyance or apartment deed.

B. Underlying Land:

Address: 45-567F an Kaneohe, F		Keaahala Road aii 96744	Tax Map Key (TMK): <u>(1) 4-5-21-8 & 9**</u>			
[] Address	[X]	TMK is expected to change because	see below*			
Land Area:	40,000** The City and Co	[X] square feet [] acre(s) unty of Honolulu has assigned the folio	Zoning: <u>R-5</u> owing Tax Map Keys to the Units:			
	Unit A: Unit B: Unit C:	(1) 4-5-21-8 CPR No. 1 (1) 4-5-21-8 CPR No. 2 (1) 4-5-21-8 CPR No. 3 (1) 4-5-21-8 CPR No. 4 (1) 4-5-21-8 CPR No. 5 (1) 4-5-21-8 CPR No. 6				

Developer anticipates that Unit G will be assigned TMK No. (1) 4-5-21-8 CPR No. 7

^{**}Note: The entire KEAAHALA condominium project (covered by Registration No. 6154 and this Report) is located on TMK 4-5-21-8, which is 20,000 square feet, and TMK 4-5-21-9, which is 20,000 square feet.

	Address	ngham Boule				
Lessor	N/A Name Address					
<u>Buildir</u>	ngs and Other Im	provements	:			
1.	[] New Buildin [] Conversion [X] Both New E	of Existing Bu	uilding(s) d Conversion			
2.	Number of Buildi	ngs: <u>2</u>		Floors Per Building	g: <u>1</u>	
	[X] Exhibit	<u>"A"</u>	contains further ex	xplanations.		
3.	Principal Constru	ction Materia	<u>!</u> :			
	[] Concrete		[] Hollow Til	e [>	(] Wood	
	[X] Other <u>al</u>	lied building r	material			
4.	Uses Permitted b	y Zoning				
			No. of Apts.	<u>Use Permi</u>	tted By Zoning	
					[] No	

5.	Special Use Restrictions:						
	The Declaration and Bylaws m Restrictions for this condomini	ay contain restri um project inclu	ctions on the use and o	occupancy of the apartments.			
	[X] Pets: See Article X	(, Section 10.7 o	f By-Laws (Dogs, cats a	and other household pets in			
	[] Number of Occupants	:	reasonable i	numbers are permitted)			
	[] There are no special use r						
6.	Interior (fill in appropriate numl	pers):					
	Elevators: none	Stairways: no	ne	Trash Chutes: none			
	Apt. <u>Type</u> Quantity <u>SEE EX</u> HIBIT " <u>A"</u>	BR/Bath	Net Living Area (sf)*	Net Other Area (sf) (Identify)			
	Tetal Missack as C.A						
	Total Number of Apartments:	2					
	*Net Living Area is the floor a apartment perimeter walls.						
	Other documents and maps different method of determin	may give floor a ing the floor ar	area figures which dif ea may have been use	fer from those above because a ed.			
	Boundaries of Each Apartment	: See Exhibit "B	n .				
	Permitted Alterations to Apartments: Subject to restrictions in the Declaration and the By-Laws, an apartment owner may make additions to o alterations of his or her apartment or limited common elements appurtenant to such apartment. Furthermore, handicapped occupants may make reasonable modifications to their apartments, the limite common elements appurtenant thereto, and/or the common elements, at their own expense. All alterations to Units F and G must be made in accordance with the terms and conditions set forth in that certain Site Development Plan 2007/SUB-223. See Exhibit "M".						
	either in a published announcer	ial apartments n artments already ment or advertise lic report and in	nust be so designated; y designated. Develope ement as required by so the announcement (see	ection 514A-102, HRS; or include			

7.	Parkir	ng Stalls:									
	Total	Parking Stalls: _	2*								
			<u>Regu</u> Covered			ompact red Op		<u>Tandem</u> <u>Covered</u> <u>Open</u>	<u>TOTAL</u>		
	Assigi (for ea	ned ach unit)		2					_2		
	Guest	•									
	Unass	signed					<u>_</u>				
	Extra	for Purchase									
	Other:										
	Total (Covered & Open:		2	-	0		0	2		
		Each apartmen Buyers are enc	it will have ouraged to	the ex	clusive use of out which stall(at least s) will be	2* available	_ parking stall(s). e for their use.			
	[]	[] Commercial parking garage permitted in condominium project.									
	[X] Exhibit: "A" contains additional information on parking stalls for this condominium project.										
	* Unit (Area o	G has an appurte r within a garage	nant Dwell or carport	ling Ar that a	rea that is of su Unit Owner m	fficient s ay const	ize for ac ruct on th	dequate parking on su ne Dwelling Area.	ch Dwelling		
8.	Recrea	ational and Other	Common	<u>Facilit</u>	ies:						
	[]	There are no re	creational	or cor	nmon facilities						
	[]	Swimming pool	[]	Storage Area		[]	Recreation Area			
	[]	Laundry Area	[]	Tennis Court		[X]	Trash Chute/Enclos	ure(s)		
	[X]	Other: Comm	non elemei	nt driv	eway						
9.	Compliance With Building Code and Municipal Regulations; Cost to Cure Violations:										
	[X]	There are no vi	olations			[]	Violati	ons will not be cured.			
	[] Violations and cost to cure are listed below. [] Violations will be cured by							(Date)			
	See Ex	chibits "C" & "D"							(Date)		
10.	Conditi Installa	on and Expected tions (For conver	Useful Life sions of re	e of S	tructural Comp tial apartments	onents, l in existe	Mechanie ence for a	cal, and Electrical at least five years):			
	by the	structural compor	tent, and mattached to	necnai	nical and electi	ical insta	allation o	condition and expecte f this dwelling unit were lo. 6154). A copy of th	e covered		

	a. [X] No variances to zoning code have been granted. SEE Exhibits "C", "D", "I" & "M"					"M"				
		[]	Variance	e(s) to zoning	code was/	were granted	as follow	/s:		
	b.	Conforming/Non-Conforming Uses, Structures, Lot								
In general, a non-conforming use, structure, or lot is a use, structure, or lot which was one time but which does not now conform to present zoning requirements.					lawful at					
			<u> </u>	Conforming		Non-Conforn	ning		Illegal	
		Uses Structur Lot	es -	X		X* X*				
If a variance has been granted or if uses, improvements or lot are either non-conforming of buyer should consult with county zoning authorities as to possible limitations which may apply a Limitations may include restrictions on extending, enlarging, or continuing the non-conformal restrictions on altering and repairing structures. In some cases, a non-conforming structure destroyed or damaged cannot be reconstructed. The buyer may not be able to obtain financing or insurance if the condominium project has conforming or illegal use, structure, or lot.				on-conformi ns which ma	ng or illegal, ay apply.					
				formity, and ucture that is						
				e condomii	nium project	t has a non-				
		The tern of Existing Develop 223) on describe two new has now Public R	Use Perins and cong Use Per also of that porting din Regular Duits. Per been div	mit 2006/EU- onditions of the ermit 2006/E otained appro- on of the land stration No. (ursuant to Si- ided into two copy of Site I	1, which all le Existing U-1 is attac loval for a si l which orig 5154, and v te Develop new Units.	Registration I ows those Ui Use Permit a ched hereto a te developme ginally constitution allowed ment Plan, Ui namely, United Plan 2007	nits to be re incorports Exhibit sent plan (sent plan (sent the control of the co	rebuilt in the orated into "I" and mad Site Develoold Unit Fall Unit F to ered by Renit G. which	the event of courter of the Declara de a part he poment Plan s more particular to gistration Not are the suite.	lestruction. tion. A copy reof. 2007/SUB- icularly divided into o. 6154)
Commo	on Elem	ents, Lin	nited Co	mmon Eleme	ents, Com	mon Interes	<u>t:</u>			
1.	Common Elements: Common Elements are those parts of the condominium project other than the individual apartments. Although the common elements are owned jointly by all apartment owners, those portions of the common elements which are designated as limited common elements (see paragraph 2 below) may be used only by those apartments to which they are assigned. The common elements for thi project, as described in the Declaration, are:					ers, those				
	[X]	describe	d in Exhii	oit"F"	_ ·					
	[]	as follow	's:							

11.

D.

Conformance to Present Zoning Code

2.	<u>Limited Common Elements:</u> Limited Common Elements are those common elements which are reserved for the exclusive use of the owners of certain apartments.				
	[]	There are no limited common elements in this project.			
	[X]	The limited common elements and the apartments which use them, as described in the Declaration, are:			
		[X] described in Exhibit			
		[] as follows:			
		*Note: Land areas referenced herein are <u>not</u> legally subdivided lots.			
3.	Common Interest: Each apartment will have an undivided fractional interest in all of the common elements. This interest is called the "common interest." It is used to determine each apartment's share the maintenance fees and other common profits and expenses of the condominium project. It may also be used for other purposes, including voting on matters requiring action by apartment owners. The common interests for the apartments in this project, as described in the Declaration, are:				
	[]	described in Exhibit			
	[X]	as follows: The percentage of common interest appurtenant to each apartment in the Project is 1/7 th .			
arrecting	g the title	Against Title: An encumbrance is a claim against or a liability on the property or a document or use of the property. Encumbrances may have an adverse effect on the property or your wnership of an apartment in the project.			
Exhibit _ <u>Augu</u>	<u>"H"</u> st 16, 20	_ describes the encumbrances against the title contained in the title report dated 12 and issued by Fidelity National Title Insurance Company			

E.

Blanket Liens:

A blanket lien is an encumbrance (such as a mortgage) on the entire condominium project that secures some type of monetary debt (such as a loan) or other obligation. A blanket lien is usually released on an apartment-by-apartment basis upon payment of specified sums so that individual apartments can be conveyed to buyers free and clear of the lien.

- [X] There are <u>no blanket liens</u> affecting title to the individual apartments.
- [] There are blanket liens which may affect title to the individual apartments.

Blanket liens (except for improvement district or utility assessments) must be released before the developer conveys the apartment to a buyer. The buyer's interest will be affected if the developer defaults and the lien is foreclosed prior to conveying the apartment to buyer.

Type of Lien

Effect on Buyer's Interest and Deposit if Developer Defaults or Lien is Foreclosed Prior to Conveyance

F. <u>Construction Warranties:</u>

Warranties for individual apartments and the common elements, including the beginning and ending dates for each warranty, are as follows:

- 1. Building and Other Improvements: None. Units to be conveyed "as is". Developer is not making any warranties on the materials and workmanship of the Units.
- 2. Appliances: None. Appliances sold "as is".

G. Status of Construction and Date of Completion or Estimated Date of	Completion:
---	-------------

Unit F was constructed in 1943, relocated in 1952, and renovated in 1993, 1994 and 2005. Unit G was constructed in April, 2011.

H. Project Phases:

The developer [] has [X] has not reserved the right to add to, merge, or phase this condominium. * Summary of Developer's plans or right to perform for future development (such as additions, mergers or phasing):

^{*} The two Units covered by this Report are considered a second phase of the original Project. See page 20, item 2 for additional information.

IV. CONDOMINIUM MANAGEMENT

A.	Management of the Common Elements: The Association of Apartment Owners is responsible for the management of the common elements and the overall operation of the condominium project. The Association may be permitted, and in some cases may be required, to employ or retain a condominium managing agent to assist the Association in managing the condominium project. Initial Condominium Managing Agent: When the developer or the developer's affiliate is the initial condominium managing agent, the management contract must have a term of one year or less and the parties must be able to terminate the contract on notice of 60 days or less.						
	The initial condominium managing agent for this project, named on page five (5) of this report, is:						
	[] not affiliated with the Developer [] the Developer or the Developer's affiliate [X] self-managed by the Association of Apartment Owners [] Other:						
В.	Estimate of Initial Maintenance Fees:						
	The Association will make assessments against your apartment to provide funds for the operation and maintenance of the condominium project. If you are delinquent in paying the assessments, a lien may be place or your apartment and the apartment may be sold through a foreclosure proceeding.						
	Initial maintenance fees are difficult to estimate and tend to increase as the condominium ages. Maintenance fees may vary depending on the services provided.						
	Exhibitcontains a schedule of estimated initial maintenance fees and maintenance fee disbursements (subject to change).						
	*Note: Developer has not conducted a reserve study in accordance with §514A-83.6, HRS, and the replacement reserve rules, Subchapter 6, Title 16, Chapter 107, Hawaii Administrative Rules, as amended.						
C.	Utility Charges for Apartments:						
	Each apartment will be billed separately for utilities except for the following checked utilities which are included in the maintenance fees:						
	[] None [] Electricity (Common Elements only Common Elements & Apartments)						
	[] Gas (Common Elements only Common Elements & Apartments)						
	[] Water [] Sewer [] Television Cable						
	[X] Otherwater for fire sprinkler system						

V. MISCELLANEOUS

A.	Sales Documents Filed With the Real Estate Commission:							
	Sales	sales documents on file with the Real Estate Commission include but are not limited to:						
	[]	Notice to Owner Occupants						
	[X]	Specimen Sales Contract ExhibitK" contains a summary of the pertinent provisions of the sales contract.						
	[X]	Escrow Agreement dated <u>June 15, 2012</u> Exhibit <u>"L"</u> contains a summary of the pertinent provisions of the escrow agreement.						
	[]	Other						
В.	Buyer's Right to Cancel Sales Contract:							
	1.	Rights Under the Condominium Property Act (Chapter 514A, HRS):						
		<u>Preliminary Report:</u> Sales made by the developer are not binding on the prospective buyer. Sales made by the developer may be binding on the developer unless the developer clearly states in the sales contract that sales are not binding. A prospective buyer who cancels the sales contract is entitled to a refund of all moneys paid, less any escrow cancellation fee up to \$250.00.						
		Supplementary Report to a Preliminary Report: Same as for Preliminary Report.						
		Final Report or Supplementary Report to a Final Report: Sales made by the developer are binding if:						
		A) The Developer delivers to the buyer a copy of: 1) Either the Final Public Report <u>OR</u> the Supplementary Public Report which has superseded the Final Public Report for which an effective date has been issued by the Real Estate Commission; <u>AND</u> 2) Any other public report issued by the developer prior to the date of delivery, if the report was not previously delivered to the buyer and if the report has not been superseded; The buyer is given an opportunity to read the report(s); <u>AND</u> One of the following has occurred:						
		One of the following has occurred: 1) The buyer has signed a receipt for the report(s) and waived the right to cancel; or Thirty (30) days have passed from the time the report(s) were delivered to the buyer; or The apartment is conveyed to the buyer within 30 days from the date the report(s) were delivered to the buyer.						
		Material Change: Binding contracts with the Developer may be rescinded by the buyer if.						
		There is a material change in the project which directly, substantially, and adversely affects (1) the use or value of the buyer's apartment or its limited common elements; or (2) the amenities available for buyer's use; AND The buyer has not waived the right to rescind.						

If the buyer rescinds a binding sales contract because there has been a material change, the buyer is entitled to a full and prompt refund of any moneys the buyer paid.

 Rights Under the Sales Contract: Before signing the sales contract, prospective buyers should ask to and carefully review all documents relating to the project. If these documents are not in final form, the buyer should ask to see the most recent draft. These include but are not limited to the: A) Condominium Public Reports issued by the developer which have been issued an effective day by the Hawaii Real Estate Commission. 				
	B) Declaration of Condominium Property Regime, as amended. C) Bylaws of the Association of Apartment Owners, as amended. D) House Rules, if any. E) Condominium Map, as amended. F) Escrow Agreement. G) Hawaii's Condominium Property Act (Chapter 514A, HRS, as amended) and Hawaii			
	 Hawaii's Condominium Property Act (Chapter 514A, HRS, as amended) and Hawaii Administrative Rules, (Chapter 16-107, adopted by the Real Estate Commission, as amended). Other 			
Copies of the condominium and sales documents and amendments made by the developer are available for review through the developer or through the developer's agent, if any. The Condominium Property Regime law (Chapter 514A, HRS) and the Administrative Rules (Chapter 107) are available online. Please refer to the following sites: Website to access official copy of laws: www.capitol.hawaii.gov Website to access unofficial copy of laws: www.hawaii.gov/dcca/hrs Website to access rules: www.hawaii.gov/dcca/har				
	port is a part of Registration No filed with the Real Estate Commission			
Reproduction o	f Report. When reproduced, this report must be on:			
[] YELLO	W paper stock [X] WHITE paper stock [] PINK paper stock			

[]

C. Additional Information Not Covered Above

- 1. <u>Not a Subdivision</u>. This is a condominium project which should not be confused with a subdivision. A purchaser of an apartment will be conveyed an apartment unit together with and "undivided" interest in the common elements of the project. The entire parcel of land upon which the project is situated is designated as a common element. That portion of the common element which each purchaser has the exclusive right to use is called a limited common element or area, but <u>is not</u> a separate, legally subdivided lot.
- 2. <u>Site Development Plan.</u> Paragraph 27 of the Declaration provides that Developer and subsequent Owners of Unit A and original Unit F (as described and covered by Registration No. 6154), which Units are situated on Lot 99 as more particularly described in Exhibit "A" attached to the Declaration and which Units are not covered by Existing Use Permit 2006/EU-1, shall have the right to develop additional Units on that portion of the Land which constitutes Lot 99 provided that all applicable permits are obtained and that any construction complies with all applicable City and County building, zoning laws and ordinances and applicable State law, and with the terms and provisions of Paragraph 19.1 of the Declaration.

Paragraph 27 further provides that owners of said Unit A and Unit F shall have the right without the consent or joinder of any other person to amend the Declaration and the Condominium Map to reflect any additional units and to change the percentage of common interest appurtenant to each Unit as long as all the Units in the Project have the same percentage of common interest as currently provided for in paragraph 6 of the Declaration. All existing Unit Owners and all future Unit Owners and their mortgagees, by accepting an interest in a Unit, shall be deemed to have given the owners of said Unit A and Unit F a Power of Attorney to execute an amendment to the Declaration solely for the purpose of reflecting any additional Units in accordance with paragraph 27 of the Declaration. This Power of Attorney shall be deemed coupled with each Owner's interest in his Unit (including its appurtenant common interest) and shall be irrevocable.

Pursuant to paragraph 27 of the Declaration, Developer, as the owner of the original Unit F covered by Registration No. 6154, divided original Unit F into two new Units, namely, Unit F and Unit G, which are the subject of this Public Report in accordance with Site Development Plan 2007/SUB-223. A copy of Site Development Plan 2007/SUB-223 is attached hereto as Exhibit "M" and made a part hereof.

3. Disclosure Regarding "AS-IS" Sale. Both Unit F and Unit G (the "Unit", or collectively, the "Units") will be conveyed in their present "as is" condition. As used in this paragraph, the terms "Unit", "Units", and/or "subject property" mean all of the property to be conveyed to the Purchaser by the Condominium Unit Deed, including, as applicable, the land and improvements (including, but not limited to, the roof, walls, foundations, soils, plumbing, electrical and mechanical systems, etc.), real property, and personal property (if any). The Purchaser acknowledges, accepts, and agrees that: (1) there may be material facts about the subject property of which the Developer is not aware which qualified experts may be able to discover, and that there may be latent defects, hidden defects, or defects which time may reveal; (2) the Developer shall not be responsible for such material facts (of which the Developer is not aware), or such latent defects, hidden defects, or defects which time may reveal; and (3) that the improvements on the subject property may not conform to current building codes and/or may not have all required building permits. With knowledge of all of the above, and of the conditions disclosed by the Developer, and/or discovered during inspection(s) of the subject property, the Purchaser acknowledges and agrees that the subject property shall be conveyed in its EXISTING "AS IS" CONDITION, WITHOUT WARRANTIES OR REPRESENTATIONS, EXPRESS OR IMPLIED (except as to title). WITHOUT LIMITATION. THE DEVELOPER MAKES NO WARRANTIES OR REPRESENTATIONS, EXPRESS OR IMPLIED, AS TO CONDITION, QUALITY, LATENT DEFECTS, HIDDEN DEFECTS, OR DEFECTS WHICH TIME MAY REVEAL, CONFORMANCE TO BUILDING CODES, EXISTENCE OF REQUIRED BUILDING PERMITS, OR FITNESS FOR ANY USE OR PURPOSE WHATSOEVER. The Purchaser will have the opportunity to inspect the subject property, and shall accept the subject property "AS IS". The Purchaser understands and agrees to give up, waive and relinquish all rights to assert any claim, demand, proceeding or lawsuit of any kind against the Developer and/or real estate agents involved with respect to the condition of the subject property, except for claims which are based upon the Developer's and/or real estate agents concealment of material facts and defects, which those parties are required to disclose by law.

- 4. <u>Hazardous Materials</u>. The Developer neither prepared nor commissioned a Phase 1 Environmental Site Assessment and makes no representations or warranties whatsoever. The Developer has made no independent investigation as to asbestos or other hazardous substances in the apartments or in, under or around the Project, including but not limited to, radioactive materials, organic compounds known as polychlorinated biphenyls, chemicals known to cause cancer or reproductive toxicity, pollutants, contaminants, hazardous wastes, toxic substances, and any and all other substances or materials defined as or included in the definition of "hazardous substances", "hazardous wastes", "hazardous materials" or "toxic substances" under, or for the purposes of, hazardous materials laws. Buyer acknowledges that in light of the age of the Project, there may be asbestos and other hazardous substances in the apartments, or in, under or around the Project. Because of the possible presence of such substances, Buyer should have the apartment inspected to determine the extend (if any) of such contamination and any necessary remedial action. The Developer will not correct any defects in the apartments or in the Project or anything installed or contained therein and Buyer expressly releases the Developer from any liability to Buyer if any hazardous materials are discovered.
- 5. <u>Lead Warning Statement</u>. With respect to Unit F, pursuant to federal law, 42, U.S.C 4852(d), the Residential Lead-Based Paint Reduction Act, "Every purchaser of any interest in residential real property on which a residential dwelling was built prior to 1978 is notified that such property may present exposure to lead from lead-based paint that may place young children at risk of developing lead poisoning. Lead poisoning in young children may produce permanent neurological damage, including learning disabilities, reduced intelligence quotient, behavioral problems, and impaired memory. Lead poisoning also poses a particular risk to pregnant women. The seller of any interest in residential real property is required to provide the buyer with any information on lead-based paint hazards from risk assessments or inspections in the seller's possession and notify the buyer of any known lead-based paint hazards. A risk assessment or inspection for possible lead-based paint hazards is recommended prior to purchase."
- 6. <u>Insurance</u>. Section 514A-86, Hawaii Revised Statutes, requires the Association of Apartment Owners to purchase fire insurance to cover the improvements of the Project, and that the premiums for the such insurance be common expenses. Developer anticipates that the Association will elect, pursuant to Paragraph 16.5 of the Declaration, to permit individual apartment owners to obtain and maintain separate policies of fire insurance and name the Association as an additional insured. In such case, fire insurance premiums will be the responsibility of individual apartment owners and not common expenses. Prospective purchasers should consult with their own insurance professionals to obtain an estimate for individual fire and hazard insurance.

A separate liability insurance policy will be maintained for the common element driveway, and premiums for such insurance will be a common expense. See Exhibit "J".

- 7. <u>Driveways and Parking Stalls</u>. All driveways (including the access easement) and the ten (10) parking stalls have been covered with an all-weather surface as required under item 10 of Existing Use Permit 2006/EU-1. See Exhibit "I".
- 8. <u>Storage Sheds; Building Permits</u>. Unit G is a 16 square feet storage shed. Pursuant to Section 18-3.1(b)(16) of the Revised Ordinances of Honolulu, the structure did not require a building permit as it is a one-story detached storage shed with an aggregate floor area not exceeding 120 square feet.

If and when the shed is replaced, it is expected to be replaced with a single-family residence in accordance with Paragraph 19.1 of the Declaration. The unit will have that number of rooms (exclusive of lanai), and net living floor area in square feet (exclusive of lanai), as set forth in an amendment to the Declaration made in accordance with Paragraph 20.4 of the Declaration. Prospective purchasers of Unit F and Unit G are advised that the location of the shed constituting Unit G on the Land is not necessarily a representation as to where a residential structure can or will be built and/or the size or layout of such structure. Pursuant to Paragraph 19.1 of the Declaration, any new residential structure must be built in accordance with applicable City and County building, zoning laws and ordinances (including, but not limited to setback requirements) and applicable State law.

NOTWITHSTANDING THE FOREGOING, THERE ARE CITY AND COUNTY RESTRICTIONS ON THE NUMBER OF RESIDENTIAL DWELLING UNITS, OR OTHER STRUCTURES, WHICH MAY BE BUILT UPON THE PROPERTY. THEREFORE, WITH RESPECT TO UNIT G, THERE IS NO ASSURANCE THAT A PURCHASE OF UNIT G WILL BE ABLE TO REPLACE THE EXISTING SHED WITH A SINGLE-FAMILY RESIDENCE. ACCORDINGLY, A PROSPECTIVE PURCHASE OF UNIT G SHOULD CONSULT WITH THE APPROPRIATE COUNTY AGENCIES BEFORE ACQUIRING UNIT G TO DETERMINE WHETHER THE PURCHASER MAY REPLACE THE EXISTING SHED WITH A SINGLE-FAMILY RESIDENCE.

9. <u>Developer Makes No Promises or Warranty About Amount of Monthly Maintenance Fees.</u> Purchaser has examined and approved the estimate of monthly maintenance fees and assessments for the Project and shown in Exhibit J attached hereto. Purchaser is aware that such amounts are only estimates and may change for reasons beyond the control of Developer, and Purchaser hereby specifically accepts and approves any changes in such estimate made by Developer. PURCHASER AGREES THAT SUCH ESTIMATES ARE NOT INTENDED TO BE AND DO NOT CONSTITUTE ANY WARRANTY OR PROMISE BY DEVELOPER, INCLUDING, BUT NOT LIMITED TO, ANY WARRANTY OR PROMISE AS TO THE ACCURACY OF SUCH ESTIMATES.

A Unit Owner shall become obligated to start paying the Unit Owner's share of the common expenses thirty (30) days after receiving written notice from the Developer or its successor.

- 10. <u>Utilities</u>. All utilities for the six (6) existing residential dwelling Units in the Project, including Unit F, are separately metered. With respect to Unit G, prior to the sale of Unit G to the public, electricity and water lines will be stubbed out and ready to be connected. Unit G is connected to the municipal sewer system.
- 11. Applicability of Chapter 514B, Hawaii Revised Statutes. The Project was formed under Chapter 514A, Hawaii Revised Statutes ("HRS"), which preceded the current condominium law, Chapter 514B, HRS (the "new condominium law"). The new condominium law applies to the Project in certain respects, including those provisions governing the management of condominiums (Part VI of the new condominium law). Thus, if there is a conflict between provisions made applicable to the Project in accordance with the new condominium law and provisions contained in the governing documents for the Project, the provisions under the new condominium law will apply. For example, the Project's By-Laws provide that the By-Laws may be amended by the approval of sixty-five percent (65%) of the Owners but the new condominium law requires the approval of sixty-seven percent (67%) of the Owners.
- 12. <u>Unit F Carport to be Constructed Prior to Sale of Unit</u>. Paragraph 3.4.6 of the Declaration provides that Unit F will have two (2) appurtenant covered parking stalls following the construction of a carport underneath Unit F to be reflected in an amendment of the Declaration and the Condominium Map upon completion of said carport. This carport will be constructed at the Developer's sole cost and expense prior to the offer of sale of Unit F to the public.

- D. The developer declares subject to the penalties set forth in section 514A-49(b) that this project is in compliance with all county zoning and building ordinances and codes, and all other county permitting requirements applicable to the project, pursuant to Act 251 (SLH 2000) [Section 514A-1.6] (The developer is required to make this declaration for issuance of an effective date for a final public report.)
- E. The developer hereby certifies that all the information contained in this Report and the Exhibits attached to this Report and all documents to be furnished by the developer to buyers concerning the project have been reviewed by the developer and are, to the best of the developer's knowledge, information and belief, true, correct and complete.

	KEA567 LLC				
•	Print Name of Developer				
	By: Duly Authorized Signatory*	June 15, 2012 Date			
	RORY D. OTTO, its Manager Printed Name & Title of Person Signing Above				
Distribution:					
Department of Finance, Planning Department,	City and County of Honolulu City and County of Honolulu	٠			

^{*} Must be signed for a: corporation by an officer; partnership or Limited Liability Partnership (LLP) by the general partner; Limited Liability Company (LLC) by the manager or member; and for an individual by the individual.

EXHIBIT "A"

Description of Apartments

The two (2) condominium apartments covered by this Public Report are more particularly described below:

1. <u>Unit F.</u> Unit F is a one-story dwelling, without a basement, containing five (5) bedrooms, two (2) bathrooms, kitchen, bar area, living room, and dining room. The net living area is approximately 1,330 square feet. Unit F also has 280 square feet balcony.

Unit F will have two (2) covered parking stalls following the construction of a carport underneath Unit F to be reflected in an amendment of the Declaration and the Condominium Map upon completion of said carport.

2. <u>Unit G.</u> Unit G is a non-residential storage shed, and contains a single room of approximately 16.00 square feet. If and when the shed is replaced, it is expected to be replaced by a single-family residence in accordance with Paragraph 19.1 of the Declaration. The changed Unit G will have that number of rooms (exclusive of lanai), net living floor area in square feet (exclusive of lanai), a garage or carport, as set forth in an amendment to the Declaration made in accordance with Paragraph 20.4 of the Declaration.

Unit G, when replaced or rebuilt, will have the exclusive use of that number of parking stalls located on the appurtenant Dwelling Area as determined by the Owner of such Unit, and which parking stalls will be reflected in an amendment of this Declaration and the Condominium Map.

END OF EXHIBIT "A"

EXHIBIT "B"

Boundaries of Each Apartment

Each Unit consists of (a) all footings, floors, foundations, perimeter walls and roofs of the Building and all other improvements from time to time located upon the Dwelling Area appurtenant to the Units; (b) all of the space, fixtures, walls and other improvements located within such footings, floors, foundations, perimeter walls and roofs; (c) all exterior surfaces and finishes of such footings, floors, foundations, perimeter walls and roofs; (d) all decks, lanais, porches, steps, stairs or other improvements physically attached to any Building and for the exclusive use of the Owners and occupants of any Building; and (e) all portions of any carport or garage physically attached to, or contained in, any Building or located on the Dwelling Area appurtenant to the Unit and for the exclusive use of the owner and occupants of the Unit. The foregoing, as initially established or as hereafter changed pursuant to Paragraph 19.1 of the Declaration, is referred to herein as a Unit. A Unit shall not be deemed to include any pipes, wires, ducts, conduits, or other utility or service lines running through a Unit (or the Dwelling Area appurtenant to such Unit) which are utilized by or serve any other Unit.

END OF EXHIBIT "B"

DEPARTMENT OF PLANNING AND PERMITTING CITY AND COUNTY OF HONOLULU

650 SOUTH KING STREET, 7th FLOOR • HONOLULU, HAWAII 96813
TELEPHONE: (808) 523-4432 • FAX: (808) 527-6743
DEPT, INTERNET: www.honoluludpp.org • INTERNET: www.honolulu.gov

MUFI HANNEMANN



HENRY ENG. FAICH

DAVID K. TANOUE DEPUTY DIRECTOR

2006/ELOG-797(LT)

August 23, 2006

Anders G.O. Nervell, Esq.
Clay Chapman Crumpton Iwamura & Pulice
Topa Financial Center, Bishop Street Tower
700 Bishop Street, Suite 2100
Honolulu, Hawaii 96813

Dear Mr. Nervell:

Re: Condominium Conversion Project 45-567 & 45-567A Keaahala Road Tax Map Key: 4-5-021: 008

This is in response to your letter dated April 11, 2006, requesting verification that the structures on the above-referenced property met all applicable code requirements at the time of construction.

Investigation revealed that the two-story single-family detached dwelling and the one-story single-family detached dwelling with four (4) unpaved off-street parking spaces met all applicable code requirements when they were constructed in 1943 and relocated in 1952 with Building Permit No. 101491, respectively, on this 20,000 square-foot R-5 Residential District zoned lot.

Investigation also revealed the following:

- On April 7, 2006, a subdivision (File No. 2005/SUB-309) was approved for the revised designation of Easement A (for access, utility and fire truck turn-around purposes in favor of Lot 100) affecting Lot 99 being a portion of land deeded to H.H. Parker by the Superintendent of Public Works.
- 2. The four (4) unpaved off-street parking spaces are considered nonconforming because they lack the required all-weather surface.
- 3. An affidavit was required with the issuance of Building Permit No. 343202 on October 18, 1993, for a one-story addition to an existing dwelling. It states that "the entire structure shall be maintained as a single-family dwelling containing only one kitchen. An interior connection shall be provided as shown on the approved plans."



Anders G.O. Nervell, Esq. Clay Chapman Crumpton Iwamura & Pulice Aúgust 23, 2006 Page 2

For your information, the Department of Planning and Permitting cannot determine all other legal nonconforming uses or structures, as a result of the adoption of any ordinance or code.

No variances or other permits were granted to allow deviations from any applicable codes.

Conversion to a condominium property regime (CPR) is not recognized by the City and County as an approved subdivision. CPR delineates ownership; it does not create separate lots of record for subdivision and zoning purposes.

If you have any questions regarding this matter, please contact Mr. Ivan Matsumoto of our Commercial and Multi-Family Code Enforcement Branch at 527-6341.

Very truly yours,

Henry Eng, FAIGP Director

Department of panning and Permitting

HE:ft

doc473771

DEPARTMENT OF PLANNING AND PERMITTING CITY AND COUNTY OF HONOLULU

650 SOUTH KING STREET, 7th FLOOR • HONOLULU, HAWAI! 96813-TELEPHONE: (808) 523-4432 • FAX: (808) 527-6743 DEPT. INTERNET: www.honoluludpp.org • INTERNET: www.honolulu.gov

MUFI HANNEMANN MAYOR



HENRY ENG. FAICP

DAVID K. TANOUE DEPUTY DIRECTOR

2006/ELOG-797(LT)

August 23, 2006

Anders G.O. Nervell, Esq.
Clay Chapman Crumpton Iwamura & Pulice.
Attorneys at Law
Topa Financial Center, Bishop Street Tower
700 Bishop Street, Suite 2100
Honolulu, Hawaii 96813

Dear Mr. Nervell:

Re: Condominium Conversion Project

45-571, 45-571A, 45-575 & 45-575A Keaahala Road

Tax Map Key (TMK): 4-5-021: 009

This is in response to your letter dated April 11, 2006, requesting verification that the structures on the above-referenced property met all applicable code requirements at the time of construction.

Investigation revealed that the four (4) one-story single-family detached dwellings with eight (8) unpaved off-street parking spaces met all applicable code requirements when they were constructed in 1961 and 1965 on this 20,000 square-foot R-5 Residential District zoned lot.

investigation also revealed the following:

- 1. On March 15, 2006, an existing use permit (File No. 2006/EU-1) was approved with conditions for the existing use of four (4) existing single-family dwellings.
- 2. The eight (8) unpaved off-street parking spaces are considered nonconforming because they lack the required all-weather surface. According to conditions of 2006/EU-1, an all-weather surface shall be provided at all driveways, including access easements on Parcel 8 (TMK: 4-5-021: 008), and required parking areas prior to the issuance of building permit or any change of ownership, whichever comes first, subsequent to this approval.
- On July 7, 2006, Document No. 2006-125195 was recorded with the State of Hawaii, Bureau of Conveyances, for roadway and utility easement purposes. This roadway easement is through TMK: 4-5-021: 008 to Keaahala Road.



Anders G.O. Nervell, Esq. Clay Chapman Crumpton Iwamura & Pulice August 23, 2006 Page 2

For your information, the Department of Planning and Permitting cannot determine all other legal nonconforming uses or structures, as a result of the adoption of any ordinance or code.

No variances or other permits were granted to allow deviations from any applicable codes.

Conversion to a condominium property regime (CPR) is not recognized by the City and County as an approved subdivision. CPR delineates ownership; it does not create separate lots of record for subdivision and zoning purposes.

If you have any questions regarding this matter, please contact Mr. Ivan Matsumoto of our Commercial and Multi-Family Code Enforcement Branch at 527-6341.

Very truly yours,

Henry Eng, FAICP, Directo

Department of Flanning and Permitting

HE:ft

doc473876



ARCHITECTURE · PLANNING · CONSTRUCTION MANAGEMENT · INTERIOR DESIGN

September 14, 2006

KEA567 LLC Attn. Mr. Rory D. Otto 99-1405 Koaha Place Alea. Hawaii 96701

Re:

Condominium Conversion Project

Owners:

KEA567 LLC

Address:

45-567, 45-567A, 45-571, 45-571A, 45-575

& 45-575A Keaahala Road Kaneohe, Hawaii 96744

TMK No.:

(1) 4-5-21-008 & 009

Dear Mr. Otto:

Pursuant to your instructions, a visual assessment was made of the single family dwellings located at 45-567, 45-567A, 45-571, 45-571A, 45-575 & 45-575A Keaahala Road, Kaneohe, Hawaii 96744, which structures are designated as Units A, B, C, D, E, and F of the Keaahala condominium project. The purpose of the assessment was to observe and comment on the present condition of the structural components and mechanical and electrical installations of the buildings. Hidden or concealed conditions such as those covered by floor, ceiling, wall panels, coverings or other obstructions were not reviewed during the visit. This assessment did not include physical testing of structural elements, quantitative structural analysis to determine the adequacy of the structural system, or invasive testing of the existing mechanical and electrical systems.

The following describes my assessment of the present condition of such components and installations:

1. <u>Unit A</u>.

- a. Without invasive examination of covered components:
 - (i) The structural components of the Unit appear to be in <u>poor</u> condition:
 - (ii) The mechanical installations of the Unit appear to be in poor condition; and
 - (iii) The electrical installations of the Unit appear to be in <u>poor</u> condition.
- b. The expected useful life is estimated to be:



- (i) Between <u>0</u> and <u>5</u> years for the structural components;
- (ii) Between 0 and 5 years for the mechanical installations; and

(iii) Between 0 and 5 years for the electrical installations.

The foregoing is based on the assumption that the components are properly maintained and repaired.

2. Unit B.

- a. Without invasive examination of covered components:
 - (i) The structural components of the Unit appear to be in poor condition;
 - (ii) The mechanical installations of the Unit appear to be in poor condition; and
 - (iii) The electrical installations of the Unit appear to be in poor condition.
- b. The expected useful life is estimated to be:
 - (i) Between 5 and 10 years for the structural components;
 - (ii) Between 5 and 10 years for the mechanical installations; and
 - (iii) Between 5 and 10 years for the electrical installations.

The foregoing is based on the assumption that the components are properly maintained and repaired.

3. Unit <u>C</u>.

- a. Without invasive examination of covered components:
 - (i) The structural components of the Unit appear to be in <u>fair</u> condition:
 - (ii) The mechanical installations of the Unit appear to be in fair condition; and
 - (iii) The electrical installations of the Unit appear to be in <u>fair</u> condition.
- b. The expected useful life is estimated to be:
 - (i) Between 10 and 20 years for the structural components;
 - (ii) Between 10 and 20 years for the mechanical installations; and
 - (iii) Between 10 and 20 years for the electrical installations.

The foregoing is based on the assumption that the components are properly maintained and repaired.

HENNIGER & HENNIGER INC. KEA567 - Condominium Conversion Project

4. Unit D.

- Without invasive examination of covered components:
 - The structural components of the Unit appear to be in <u>fair</u> condition;
 - (ii) The mechanical installations of the Unit appear to be in <u>fair</u> condition; and
 - (iii) The electrical installations of the Unit appear to be in fair condition.
- b. The expected useful life is estimated to be:
 - (i) Between 10 and 20 years for the structural components;
 - (ii) Between 10 and 20 years for the mechanical installations; and
 - (iii) Between 10 and 20 years for the electrical installations.

The foregoing is based on the assumption that the components are properly maintained and repaired.

5. <u>Unit E</u>.

- a. Without invasive examination of covered components:
 - (i) The structural components of the Unit appear to be in <u>fair</u> condition;
 - (ii) The mechanical installations of the Unit appear to be in <u>fair</u> condition; and
 - (iii) The electrical installations of the Unit appear to be in <u>fair</u> condition.
- b. The expected useful life is estimated to be:
 - (i) Between 10 and 20 years for the structural components;
 - (ii) Between 10 and 20 years for the mechanical installations; and
 - (iii) Between 10 and 20 years for the electrical installations.

The foregoing is based on the assumption that the components are properly maintained and repaired.

Unit <u>F</u>.

- a. Without invasive examination of covered components:
 - (i) The structural components of the Unit appear to be in <u>fair</u> condition;

- (ii) The mechanical installations of the Unit appear to be in <u>fair</u> condition; and
- (iii) The electrical installations of the Unit appear to be in fair condition.
- b. The expected useful life is estimated to be:
 - (i) Between 10 and 20 years for the structural components;
 - (ii) Between 10 and 20 years for the mechanical installations; and
 - (iii) Between 10 and 20 years for the electrical installations.

The foregoing is based on the assumption that the components are properly maintained and repaired.

This is not a warranty or representation, and no purchaser may rely on the statements contained herein. In addition, compliance with legal or governing code requirements is specifically excluded from this assessment.

Very truly yours,

Gerald L. Henniger,

Licensed Professional Architect

No. AR-11937

EXHIBIT "F"

Description of Common Elements

The common elements include the following located within the Project:

- 1. The Land in fee simple described in Exhibit "A" attached hereto and made a part hereof;
- 2. Easement "A" on Lot 99 (as more particularly described in Exhibit "A" attached to the Declaration), being approximately 4,155 square feet, as shown on the Condominium Map;
- 3. The driveway on Lot 100 (as more particularly described in Exhibit "A" attached to the Declaration), being approximately 1,826 square feet, as shown on the Condominium Map;
 - The garbage can storage area as shown on the Condominium Map;
- 5. The CRM wall running along the boundary line facing Keaahala Road and along a portion of the boundary line facing Lot 101-A-1; and the CRM wall on Easement "A" running along the boundary line facing neighboring Lot 98-B as shown on the Condominium Map;
- 6. All pipes, cables, wires, ducts, conduits, electrical equipment, or other utility or service lines, drainage ditches or appurtenant drainage structures and retaining walls (if any), which are located outside the Units and which are utilized for or serve more than one Unit;
- 7. All pipes, cables, wires, ducts, conduits, electrical equipment, or other utility or service lines running through a Unit which are utilized by or serve more than one Unit;
- 8. Any and all other apparatus and installations of common use and all other parts of the Project necessary or convenient to its existence, maintenance and safety, or normally in common use.

END OF EXHIBIT "F"

EXHIBIT "G"

Description of Limited Common Elements

The limited common elements appurtenant to the two Units covered by this Public Report include the following:

- 1. The limited common elements set aside and reserved for the exclusive use of Unit F are as follows:
- (a) The site on which Unit F is located, consisting of the land beneath and immediately adjacent to Unit F (including any yard areas, landscaping, driveways, parking stalls, walkways, access areas, retaining walls, and fences and/or walls located within said portion of land, excluding, however, those walls designated as common elements), as shown and delineated on the Condominium Map (including the airspace above such site), is for the exclusive benefit of Unit F. Said site is referred to in the Declaration as the Dwelling Area, and the Dwelling Area for Unit F contains an area of 5,110 square feet.
- 2. The limited common elements set aside and reserved for the exclusive use of Unit G are as follows:
- (a) The site on which Unit G is located, consisting of the land beneath and immediately adjacent to Unit G (including any yard areas, landscaping, driveways, parking stalls, walkways, access areas, retaining walls, and fences and/or walls located within said portion of land, excluding, however, those walls designated as common elements), as shown and delineated on the Condominium Map (including the airspace above such site), is for the exclusive benefit of Unit G. Said site is referred to in the Declaration as the Dwelling Area, and the Dwelling Area for Unit G contains an area of 5,135 square feet.
- 3. Any other common element of the Project which is rationally related to fewer than all the Units shall be deemed a limited common element appurtenant to and for the exclusive use of such Unit to which it is rationally related.

END OF EXHIBIT "G"

EXHIBIT "H"

List of Encumbrances Against Title

Encumbrances against the title as contained in the Title Insurance Commitment dated August 16, 2012, and issued by Fidelity National Title Insurance Company, are as follows:

- 1. Real property taxes due and payable. For more information contact the City and County of Honolulu, Department of Finance, Real Property Tax Assessment.
 - Reservation in favor of the State of Hawaii of all minerals and metallic mines.
- 3. Grant dated August 14, 1972, in favor of Hawaiian Electric Company, Inc., a Hawaii corporation, recorded in the Bureau of Conveyances of the State of Hawaii in Liber 8519, Page 307; granting an easement for utility and incidental purposes.
- 4. Terms and provisions of that certain Affidavit dated October 6, 1993, recorded in said Bureau of Conveyances as Document No. 93-165650, re: building permit.
 - 5. Condominium Map No. 1910, filed in said Bureau of Conveyances, as amended.
- 6. Covenants, conditions, restrictions, reservations, agreements, obligations, exceptions and other provisions as contained in that certain Declaration of Condominium Property Regime dated July 30, 1993, recorded in said Bureau of Conveyances as Document No. 93-133601.

Joinder in Declaration and Submission of Property to Condominium Property Regime dated October 18, 1995, recorded in said Bureau of Conveyances as Document No. 95-143914.

Said Declaration was amended by that certain instrument dated October 19, 2009, recorded in said Bureau of Conveyances as Document No. 2006-195939, that certain instrument dated October 19, 2009, recorded in said Bureau of Conveyances as Document No. 2006-195940 (Restated), and that certain instrument dated June 15, 2012, recorded in said Bureau of Conveyances as Document No. A-46110961.

7. By-Laws of the Association of Apartment Owners dated July 30, 1993, recorded in said Bureau of Conveyances as Document No. 93-133602.

Said By-Laws were amended and restated by that certain instrument dated October 19, 2009, recorded in said Bureau of Conveyances as Document No. 2006-195941.

- 8. The following items, as shown on survey map prepared by Walter P. Thompson, Licensed Professional Land Surveyor, dated September 21, 2004:
- (a) A CRM wall crosses from Lot 100 onto Lot 101-A-2 for 21 lineal feet along the Westerly boundary. The worst condition being 1.93 feet.
- (b) A tile wall crosses from Lot 100 onto Lot 101-A-2 for 27 lineal feet along the Westerly boundary. The worst condition being 3.71 feet.
- (c) Concrete crosses from Lot 100 onto Lot 101-A-2 for 3 lineal feet along the Westerly boundary. The worst condition being 3.76 feet.
- (d) An eaveline crosses from Lot 100 onto Lot 101-A-2 for 8 lineal feet along the Westerly boundary. The worst condition being 1.38 feet.

- (e) A tile wall crosses from Lot 100 onto Lot 101-A-2 for 4.01 feet along the Westerly boundary.
- (f) A dog kennel crosses from Lot A onto Lot 100 for 17 lineal feet along the Northerly boundary. The worst condition being 4.78 feet.
- 9. Covenants, conditions, restrictions, reservations, agreements, obligations, exceptions and other provisions as contained in that certain Deed dated March 9, 2005, recorded in said Bureau of Conveyances as Document No. 2005-053018.

END OF EXHIBIT "H"

DEPARTMENT OF PLANNING AND PERMITTING CITY AND COUNTY OF HONOLULU

650 SOUTH KING STREET, 7th FLOOR - HONOLULU, HAWAII 96813
TELEPHONE: (808) 523-4432 - FAX: (808) 527-6743
DEPT. INTERNET: www.honoluludpp.org - INTERNET: www.honolulu.gov

MUFI HANNEMANN



HENRY ENG. FAICH

DAVID K. TANQUE

2006/EU-1(as)

	EXISTINGUSTE WE COME TO THE PROPERTY OF THE PR
	2006/EU-1
ner:	Rory D. Otto
:	45-571 Keaahala Road - Kaneohe
;	4-5-21: 9
	R-5 Residential District
	January 9, 2006
;	January 23, 2006

APPROVAL is granted to the existing use, four (4) existing single-family dwellings, in accordance with the application documents (plans date-stamped January 9, 2006), subject to the following conditions:

- 1. All work shall be in accordance with approved application documents, the conditions enumerated below and the Land Use Ordinance (LUO) unless otherwise stated by this permit.
- 2. The EU permit is only for the continued use, repair, alteration, expansion, relocation, or reconstruction of the existing dwellings. This Existing Use approval does not certify that the existing structures and improvements comply with the current zoning code or other regulations.
- 3. In accordance with Section 2.100(a) of the LUO, in the event of destruction, uses may be continued and structures may be rebuilt under the approved existing use plan, provided that such restoration is permitted by the Building Code and Flood Hazard Regulations and is started within two years.
- 4. Only minor modifications to the EU plans shall be allowed. Any major modification which may have an adverse impact on surrounding land uses, increases the number of dwelling units, and/or involves the reconstruction and/or expansion of a dwelling(s) which is part of a larger development, shall require the processing of a Cluster Housing Permit.



- 5. The applicant or owner(s) shall incorporate this Existing Use Permit into the restrictive covenants which run with the land, to serve as notice to all owners and tenants. The draft covenant shall be submitted for review and approval by the DPP. Upon approval of the covenant, a certified recorded copy shall be filed with the DPP, prior to the change in any ownership or the issuance of any permits.
- 6. If the project will be condominiumized, the applicant or owner(s) shall submit a draft copy of the Condominium Property Regime (CPR) map and documents to the DPP for our review. Future work subsequent to the creation of a CPR may require approval from the homeowners association prior to the start of work. If the EU Permit is incorporated into the CPR documents, a separate declaration of restrictive covenants is not required.
- 7. All work shall comply with the applicable LUO standard for the underlying zoning district, unless otherwise stated herein:
 - (a) A minimum 10-foot setback for structures (except for carports or garages) shall be required from the common access driveway. In no case shall the portion of any dwelling or carport (i.e. roof overhang or downspout) extend into a common element.
 - (b) Within the project, the minimum distances between buildings shall be as follows:
 - (i) 10 feet between two one-story dwellings;
 - (ii) 15 feet between a one-story and a two-story dwelling or portion thereof; and
 - (iii) 20 feet between two-story dwellings.

If the property is condominiumized, then, no portion of a building shall cross a CPR line. Reconstructed buildings shall comply with the required yards and height setbacks of the underlying zoning district as measured from limited common element lines.

- (c) Maximum building area shall not exceed 50 percent of the original lot area of 20,000 square feet. If the property is condominiumized, then, within each limited common element, the maximum building area shall not exceed 50 percent of the area for each limited common element.
- 8. All new work shall be compatible in design with the existing and surrounding structures. The Director may require the redesign of exterior entrances, stairways, bar areas, including plumbing and electrical systems, to ensure that the number of dwellings is not increased.

- 9. A minimum of two (2) parking spaces shall be provided for Units C and D. The existing nonconforming parking spaces of Units B and E may be retained. However, should either Units B and E be altered, expanded or rebuilt, the minimum off-street parking requirements of two spaces shall be met. Existing parking spaces within carports or garages shall not be converted into usable floor area (including garage or carport storage areas).
- 10. An all weather surface shall be provided at all driveways, including access easements on Parcel 8, and required parking areas prior to the issuance of building permit or any change of ownership, whichever comes first, subsequent to this approval.
- 11. New or reconstructed fences constructed above retaining walls shall be of an open material such as chain link or wrought iron, and be limited to 42 inches in height.
- 12. All existing trees six (6) inches or greater in diameter shall be retained on-site, or replacement landscaping shall be required. All landscaping shall be maintained in a healthy visual condition at all times.
- 13. Common access roadway shall include a minimum of 15 feet width. In addition, this common area shall be expanded to accommodate the maneuvering required for all parking spaces, and shall be shown as a common element.
- 14. Within one (1) year, the applicant must comply with the provision for fire protection, including the installation of a new fire hydrant and turnaround area, or alternative system as approved by the Honolulu Fire Department (HFD). If alternate system such as automatic fire sprinkler system is installed in lieu of fire hydrant, the applicant shall provide: (a) written confirmation of the HFD's review and approval of the alternate system prior to or at the time of application for building permits to install the system; and (b) photographic documentation that the sprinklers have been installed.
- 15. A subdivision for the creation of an easement over the adjoining Parcel 8 must be approved prior to change in any ownership or the issuance of any permits, whichever comes first.
- Approval of this permit does not constitute compliance with other governmental agencies' requirements. They are subject to separate review and approval. The applicant will be responsible for insuring that the final plans for the project approved under this permit comply with all applicable governmental agencies' provisions and requirements.
- 17. The Director of Planning and Permitting may modify the conditions of this permit by imposing additional conditions, modifying existing conditions, or deleting conditions

deemed satisfied upon a finding that circumstances related to the approved project have significantly changed so as to warrant a modification to the conditions of approval.

- 18. The applicant and/or landowner shall notify the Director of Planning and Permitting of the transfer in ownership of the property. In the event of a change of ownership, the Director shall notify the new owner (by copy of this permit report) that the site and/or facility is permitted and/or governed by this permit, and that compliance with all the conditions of approval is required.
- 19. In the event of the noncompliance with any of the conditions set forth herein, the Director of Planning and Permitting may terminate all uses approved under this permit or halt their operation until all conditions are met or may declare this permit null and void or seek civil enforcement.

Any party wishing to appeal the Director's action must submit a written petition to the Zoning Board of Appeals (ZBA) within 30 calendar days from the date of mailing or personal service of the Director's written decision. (Zoning Board of Appeals Rules Relating to Procedure for Appeals, Rule 22-2, Mandatory Appeal Filing Deadline). Essentially, the Zoning Board of Appeals rules require that a petitioner show that the Director based his action on an erroneous finding of a material fact, and/or that the Director acted in an arbitrary or capricious manner, or manifestly abused his discretion. Generally, the ZBA can only consider the evidence previously presented to the Director of Planning and Permitting. The filing fee for appeals to the ZBA is \$200 (payable to the City and County of Honolulu).

Failure to comply with ZBA Rules Chapter 22, <u>Procedure for Appeals</u>, may result in the dismissal of the appeal. Copies of the ZBA rules are available at the Department of Planning and Permitting. Appeals should be addressed to:

Zoning Board of Appeals c/o Department of Planning and Permitting 650 South King Street Honolulu, Hawaii 96813

If you have any questions or need additional information concerning this Existing Use Permit, please contact Adrian Siu-Li of our staff at 527-5072.

Doc 425406

THIS COPY, WHEN SIGNED BELOW, IS NOTIFICATION OF THE ACTION TAKEN.

SIGNATURE OF Director March 15, 2006

DATE

This approval does not constitute approval of any other required permits, such as building or sign permits.

EXHIBIT "J"

ESTIMATE OF INITIAL MAINTENANCE FEES AND ESTIMATE OF MAINTENANCE FEE DISBURSEMENTS

Estimate of Initial Maintenance Fees:

<u>Apartment</u>	Monthly Fee x 12 months = Yea	arly Total
Unit A	\$30.00	\$360.00
Unit B	\$30.00	\$360.00
Unit C	\$30.00	\$360.00
Unit D	\$30.00	\$360.00
Unit E	\$30.00	\$360.00
Unit F	\$30.00	\$360.00
Unit G	\$30.00	\$360.00

Reserve Study: No reserve study done in accordance with Section 514A-83.6, Hawaii Revised Statutes.

The Real Estate Commission has not reviewed the estimates of maintenance fee assessments and disbursements for their accuracy or sufficiency

Estimate of Maintenance Fee Disbursements:

	Monthly Fee x 12 months = Yearly Total		
Utilities and Services			
Air Conditioning			
Electricity			
[] common elements only			
[I common elements and apartments			
Elevator			
Gas			
[] common elements only			
[] common elements and apartments			
Refuse Collection			
Telephone Mark for five and the same	ФE 0.4	670.00	
Water and Sewer – Water for fire sprinkler system	\$5.84	\$70.00	
Maintenance, Repairs and Supplies			
Building (D. 1 Control of the Contro	ውስሳ ባሳ	£1 000 00	
Grounds (Driveway and utility lines)	\$83.33	\$1,000.00	
Management			
Management Fee			
Payroll and Payroll Taxes			
Office Expenses			
Insurance Units: Each unit owner will purchase his own insurar	200		
and name the Association as an additional ins	ourad Not		
Common Elements:	\$83.33	\$1,000.00	
	\$187.50	\$2,250.00	
Reserves(*) Taxes and Government Assessments	\$107.50	Ψ2,200.00	
Audit Fees	•		
Other	•		
Offici			
TOTAL	\$360.00	\$4,320.00	
TOTAL	0000100	V 1,020.00	
	·		
KEA567 LLC, the developer for the KEAAHALA	condominium p	project, hereby certifies that the above	
estimates of initial maintenance fee assessments and maintenance	enance fee disburseme	ents were prepared in accordance with	
generally accepted accounting principles.			
gonorally according printing			
KEA567 LLC			
$(1/\sqrt{)}M$			
	June 15, 2012		
Rory D. Otto, its Manager	Date		

(*) Mandatory reserves assessment and collection in effect beginning 1994 budget year. The Developer is to attach to this exhibit an explanation whether, in arriving at the figure for "Reserves", the Developer has conducted a reserve study in accordance with §514A-83.6, HRS, and the replacement reserve rules, Subchapter 6, Title 16, Chapter 107, Hawaii Administrative Rules, as amended.

Pursuant to §514A-83.6, HRS, a new association created after January 1, 1993, need not collect estimated replacement reserves until the fiscal year which begins after the association's first annual meeting.

EXHIBIT "K"

Summary of Pertinent Provisions of Sales Contract

The specimen Sales Contract on file with the Real Estate Commission consists of the Hawaii Association of Realtors Standard Form Purchase Contract, together with attached Addenda. The Sales Contract contains the price, description and location of the Unit and other terms and conditions under which a buyer will agree to buy a Unit in the Project. Among other things, the Sales Contract provides:

- 1. A section for financing to be filled in and agreed to by the parties which will set forth how the buyer will pay the purchase price.
- 2. That a buyer's deposits will be held in escrow until the sales contract is closed or cancelled.
- 3. That the buyer must close the purchase at a certain date and pay closing costs, in addition to the purchase price.
 - 4. That in the event of default:
 - (a) If buyer defaults:
 - (i) Seller may bring an action for breach of contract;
 - (ii) Seller may retain the deposits as liquidated damages;
 - (iii) Buyer is responsible for any costs incurred under the sales contract.
 - (b) If seller defaults:
 - Buyer may bring an action for breach of contract;
 - (ii) Buyer may bring an action for specific performance;
 - (iii) Seller is responsible for any costs incurred under the sales contract.

The prevailing party is entitled to recover all costs incurred including reasonable attorney's fees. Escrow fees incurred shall be deducted before disbursement to the prevailing party.

- 5. The buyer has the right to cancel the Sales Contract under the following conditions:
- (a) At any time within thirty (30) days following the date the Public Report is delivered to buyer. If buyer so cancels, buyer will be entitled to receive a refund of any deposits. If buyer does not act within the thirty (30) day period, or if the Unit is conveyed to the buyer, buyer will be deemed to have accepted the Public Report and to have waived his right to cancel.
- (b) If there is a material change in the Project which directly, substantially and adversely affects the use or value of buyer's Unit or appurtenant limited common element, or the amenities available for buyer's use. If so, buyer will be entitled to receive a refund of any deposits.
 - 6. The Units will be conveyed in their present "as is" condition.

THE SALES CONTRACT CONTAINS VARIOUS OTHER PROVISIONS WHICH THE BUYER SHOULD BECOME ACQUAINTED WITH. THE INFORMATION CONTAINED HEREIN IS A ONLY A SUMMARY OF THE TERMS OF THE SALES CONTRACT. FOR MORE DETAILED INFORMATION, YOU MUST SECURE A COPY OF THE SALES CONTRACT AND READ IT THOROUGHLY.

END OF EXHIBIT "K"

EXHIBIT "L"

Summary of Pertinent Provisions of Escrow Agreement

The following is a summary of the Escrow Agreement dated June 15, 2012, entered into by and between KEA567 LLC, a Hawaii limited liability company ("Seller"), and Guardian Escrow Services, Inc. ("Escrow") (the "Escrow Agreement").

The Escrow Agreement establishes an arrangement under which the deposits a buyer makes under a Purchase Contract will be held by a neutral party (i.e., Escrow). Under the Escrow Agreement these things will or may happen:

- (a) Signed copies of the Purchase Contract will be provided to Escrow.
- (b) Escrow will collect payments due pursuant to the Purchase Contract.
- (c) Seller will notify Escrow who in turn will notify buyer when payments are due.
- (d) Escrow will accept buyer's payments pursuant to the Purchase Contract and will hold the funds or make payments according to the Escrow Agreement.
- (e) The Escrow Agreement states under what conditions Escrow will disburse buyer's funds. Escrow will disburse upon receipt of the following:
 - 1. the conveyance document;
 - 2. all necessary releases of encumbrances;
 - 3. the full amount of the purchase price;
 - 4. any mortgage or other instrument securing payment; and
 - 5. purchaser's share of the closing costs.
- (f) Under the Escrow Agreement buyer shall be entitled to a refund, if buyer makes a written request for a refund and Escrow has received a written request from Seller to return buyer's funds. In addition, by law, (under Sections 514A-62 and 63, Hawaii Revised Statutes) buyer has a right to rescind a Purchase Contract.
- (g) The Escrow Agreement states what will happen to a buyer's funds upon default under the Purchase Contract. Seller is required to certify to Escrow in writing that buyer has defaulted and that Seller is terminating the Purchase Contract. Escrow will notify buyer by certified mail that Seller has cancelled the Purchase Contract. Escrow will treat the buyer's funds as belonging to the Seller subject to the provisions relating to dispute and conflicting demands.
 - (h) Escrow will coordinate and supervise the signing of all necessary documents.
 - (i) The Escrow Agreement sets forth Escrow's responsibilities in the event of any disputes.

THE ESCROW AGREEMENT CONTAINS VARIOUS OTHER PROVISIONS AND ESTABLISHES CERTAIN CHARGES WITH WHICH THE PURCHASER SHOULD BECOME ACQUAINTED. THE INFORMATION CONTAINED HEREIN IS ONLY A SUMMARY OF THE TERMS OF THE AGREEMENT. FOR MORE DETAILED INFORMATION, YOU MUST SECURE A COPY OF THE AGREEMENT AND READ IT THOROUGHLY.

END OF EXHIBIT "L"

DEPARTMENT OF PLANNING AND PERMITTING

CITY AND COUNTY OF HONOLULU

650 SOUTH KING STREET, 7TH FLOOR • HONDLULU, HAWAII 96813 TELEPHONE: (808) 768-8000 • FAX: (808) 527-6743 INTERNET: www.honolulu.gov • DEPT, WEB SITE: www.honoluludpp.org

MUFI HANNEMANN



HENRY ENG. FAICP

DAVID K. TANOUE DEPUTY DIRECTOR

0007/01 ID 000

		2007/SUB-2
		SITE DEVELOPMENT PLAN
File Number	:	2007/SUB-223
Project	:	SITE DEVELOPMENT PLAN / KaneoheKeaahala Rd. / TMK: 4-5-021: 008
Location	;	45-567-a Keaahala Rd.
Тах Мар Көу	:	4-5-021: 008
Owner	:	KEA567, LLC
Surveyor	:	Imata & Associates, Inc.
Agent	:	Imata & Associates, Inc.

Description of the Proposal: Site Development of Lot 99, being a portion of land deeded to H.H. Parker by the Superintendent of Public Works into two lots: Lot 1 of 5,600 square feet and Lot 2 of 14,400 square feet (a flag lot).

This application is a SITE DEVELOPMENT, pursuant to Section 21-8.30 of the Land Use Ordinance (LUO).

In the event a conventional subdivision application is filed, the lot layout design of said application must conform to the site development plan and comply with the Land Use Ordinance, Subdivision Rules and Regulations, Subdivision Ordinances and regulations of any governmental agency relating to the subdivision of land.

The favorable consideration of this site development plan indicates its compliance with minimum lot widths, minimum lot areas and access requirements only and must not be construed as an implied approval of any future building permit(s) and/or subdivision application(s). These are reviewed separately under the provisions of the Land Use Ordinance and the Subdivision Rules and Regulations.



The proposal was granted Favorable Consideration

Copies of the Site Development Plan granting favorable consideration are attached.

THIS COPY IS NOTIFICATION OF THE ACTIO	N TAKEN AND THE D	ATE IT WAS SIGNED.
	DIRECTOR_	December 28, 2007
SIGNATURE	TITLE	DATE

This approval does not constitute approval of any other required permits, such as building or sign permits. Should you have any questions, please call Mr. Jeff Lee at 768-8099 or Mr. Dennis Silva at 768-8101.

1MK: 4-5-021: 006 TAIK: 4-5-021: 084 (236° 05' ---- 100.00 14,400 Sq. Ft. (10,245 Sq. Ft.) Heave search as a bost of this most is at season. LOT 99 sources in the lipseled for any and all & is of the much 962 - 1814. 223 Lot 98-B TMK: 4-5-021; 007 Lot 100 TMK: 4-5-021: portion D98 Existing Eosement A for Access, Utility and Fire Truck Turn Around Purposes 4,155 Sq. Ft. 239° 03' 244" 45'-31.32 5,600 Sq. Ft. 10-FL Road Widening Setback Line 78:00 56° 05' - 100.00

KEAAHALA

ROAD

SITE DEVELOPMENT PLAN

(SUBMITTED UNDER PROVISIONS OF SECTION 21-8.30 OF THE LAND USE ORDINANCE)

SITE DEVELOPMENT OF LOT 99 INTO LOTS 1 AND 2

Being a portion of land deeded to H. H. Parker by the Superintendent of Public Works
At Kaneohe, Koolaupoko, Oahu, Hawaii ne Tax Map Key: 1st Div. 4-5-021: 008

THIS WORK WAS PREPARED BY ME OR UNDER MY SUPERVISION.

LICENSED PROFESSIONA

LAND SURVEYOR

No. 5816

Retalie Kanang

Notes:

1. Zoning: R-5 Residential

2. Flood Zane X as shown on FIRM Ponel 270.

File No.: P2007-041



Revised: December 12, 2007